

TO: The Interim Education and Local Government Committee  
FROM:



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Lance L. Melton, Executive Director  
MTSBA



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Dave Puyear, Executive Director  
MREA

RE: Concern with Process for Estimating Fiscal Impact of Accreditation Standards  
DATE: March 21, 2012

Dear Committee Members:

MTSBA and MREA both have significant reservations and concerns with the process used by the Legislative Fiscal Division in estimating the fiscal impact of changes in the Accreditation Standards of the Board of Public Education. Although both MTSBA and MREA strongly support the role of the accreditation standards in providing "the minimum standards upon which a basic system of free quality public elementary and secondary schools is built" as provided in the Legislature's definition of quality in 20-9-309, MCA, we also support and believe the Legislature's definition of quality requires that mandates imposed by the accreditation standards be adequately funded in order that the school funding system remains based on and reflects the costs of the definition in 20-9-309, MCA, as required by that same section (see 20-9-309(4), MCA.

Our primary concerns with the LFD's analysis of costs are as follows:

1. Underestimating the costs associated with implementing standards.
2. Identifying an arbitrary 1% threshold as the amount that a school district can "readily absorb" without additional funding.
3. Implications of 1 and 2 above on additional changes to the accreditation standards on the immediate horizon.

**Underestimating the Costs of Compliance:**

We understand that the LFD has estimated that the cost of implementing the common core standards in school districts statewide is approximately \$16 million spread over several years. The LFD has estimated that the ongoing annual impact of the change in standards is \$2.8 million statewide.

We further understand that outreach to member school districts to solicit input regarding the anticipated costs was anecdotal at best and did not involve any consideration of views by the large majority of school districts in Montana. With regard to those whose input was solicited, there are substantial differences between

\$236,019 statewide growth in budgets) in the last year, and who are expecting to have to cut another \$15-20 million in the coming year with the increases scheduled at 1.6% compared to inflation of 3%, are further assumed to be ready to absorb another series of mandates, one after the other, so long as they don't cost more than \$9.7 million each.

The lack of awareness of the magnitude of the fiscal challenges school districts have faced and continue to face by the LFD staff is astounding and disappointing and we urge the committee to reject the 1% threshold as contrary to the intent and purpose of section 20-7-101, MCA, which is to ensure a match between the new mandates imposed by the Board of Public Education and the funding provided by the Legislature to allow school districts to reasonably implement and comply with such mandates.

### **Related Concerns For Changes on the Horizon**

Our concerns above have been raised most recently with the Board of Public Education's adoption of the Common Core standards, but there are much larger, far reaching changes on the immediate horizon that will raise the stakes on this process to an even greater degree. For over two years MTSBA and MREA have participated in the most recent review of Montana's school accreditation standards. During this review cycle the traditional review process has been greatly expanded to include numerous other groups and individuals with meetings extending over a period nearly twice as long as has been the case in the past. The "accreditation task force" appears to be poised to recommend significant changes to the current Chapter 55 of the Board of Public Education's rules in the near future. Although there are several proposed changes embraced in the Committee's work that could substantially improve the quality of education for Montana's children, there is no doubt but that many of those changes will come with a corresponding cost that cannot be "readily absorbed" by school districts without additional funding. Examples of where the proposed changes to Chapter 55 could have a significant impact include but are not necessarily limited to:

1. The new evaluation process, which completely rewrites the existing rule on performance evaluations for teachers and administrators and which will require opening virtually every collective bargaining agreement in the state in order for the school district to bargain the effect of the new evaluation process on working conditions of staff covered by collective bargaining agreements in each district.
2. A new induction and mentorship program, which is a new proposed rule that would require each school district to align its evaluation process with an induction and mentorship program. Like the rule change on performance evaluations, this would require a substantial change in working conditions that would have to be bargained in any district with a collective bargaining agreement covering its teaching staff.
3. Several new and/or expanded school board policy requirements that will require substantial board and staff time as well as a significant number of